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## State of Iowa Group Insurance Plan

### Certification of Non Full-Time Student Dependent

### Age 19 to 25

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Employee Name: \_\_\_\_\_ SSN: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

You may enroll your unmarried child, age 19 to 25, who lives in Iowa but is not a full-time student, on your insurance plan. Enrollment is subject to all of the State of Iowa Group Insurance Plan rules and regulations. Once you enroll your child, you will not be able to cancel their health coverage until the next annual Enrollment and Change Period unless there is a qualifying event that would allow for cancellation.

#### **TAX CONSEQUENCES**

Only certain individuals (other than yourself and your spouse) may receive medical and dental coverage on a tax-favored basis. If the child you wish to enroll does not qualify as your tax dependent per the IRS, you will be taxed on the fair market value of dependent coverage. This excess value will be included in your gross income. Please see your Personnel Assistant for more detailed information including a table showing these taxable amounts. You may also want to visit with your tax advisor. Please see additional materials for further information.

#### **Complete the following information to enroll your non full-time student dependent(s) age 19 to 25:**

Dependent Name: \_\_\_\_\_ DOB: \_\_\_\_\_

☐ Yes, this child qualifies as my dependent for federal income tax purposes.  
☐ No, this child does not qualify as my dependent for federal income tax purposes.

Dependent Name: \_\_\_\_\_ DOB: \_\_\_\_\_

☐ Yes, this child qualifies as my dependent for federal income tax purposes.  
☐ No, this child does not qualify as my dependent for federal income tax purposes.

Dependent Name: \_\_\_\_\_ DOB: \_\_\_\_\_

☐ Yes, this child qualifies as my dependent for federal income tax purposes.  
☐ No, this child does not qualify as my dependent for federal income tax purposes.

Dependent Name: \_\_\_\_\_ DOB: \_\_\_\_\_

☐ Yes, this child qualifies as my dependent for federal income tax purposes.  
☐ No, this child does not qualify as my dependent for federal income tax purposes.

***I am providing this information to my employer for insurance enrollment and tax reporting purposes. By signing and returning this form, I certify that all of the statements above are true. I understand that my employer will rely on this information to calculate the taxability of coverage provided to my child age 19 through 25. In addition, I certify that this child resides in the state of Iowa and is unmarried. If my child's status changes, I will notify my employer immediately by submitting that information, in writing, to my Personnel Assistant.***

Employee Name (Printed) \_\_\_\_\_

Employee Signature \_\_\_\_\_

Signature Date: \_\_\_\_\_

**Please submit completed form to your Personnel Assistant**



# FACT SHEET

## Non Full-Time Student Dependent

### Age 19 to 25

#### Eligibility:

Your unmarried children between the ages of 19 and 25 who are not full-time students and who live in the state of Iowa may be covered on your group insurance plan. These children are eligible for coverage through the end of the year in which they marry, turn age 25, or no longer reside in Iowa.

#### Enrollment:

You must complete the *Certification of Non Full-Time Student Dependent Age 19 to 25* form requesting enrollment and verifying tax dependent status before you can enroll these children on your insurance plan. This form must be completed and returned to your Personnel Assistant. These children may be added to your health plan during the annual open health enrollment and change period. Once enrolled, you will not be able to cancel their coverage until the next open health enrollment and change period. These children may not be added to your dental plan unless there is a negotiated OPEN dental enrollment period. The only exception to these enrollment opportunities would be with a qualified life event.

#### Tax Consequences:

Under federal tax law, if your unmarried child does not qualify as your tax dependent, the State will calculate the fair market value of dependent coverage. This amount will be included in your gross income and will be subject to federal and state withholding and FICA and be reported on your Form W-2. This taxable benefit amount will be shown on the on-line warrant as pay in the Taxable Benefit field and subtracted back out in the Maintenance field. On the condensed pay stub it will be shown added and subtracted under the MAINTENANCE field. This action will be taken once a month on the warrant in which the state share of insurance is deducted (the first pay date of each month).

#### Premium Amount:

The family premium amount does not change because you are covering these children. However, if the child does not qualify as your tax dependent, you will pay tax on the fair market value of dependent coverage as stated above. This taxable income amount varies by plan and number of these children you wish to enroll. See your Personnel Assistant or the DAS Web site at: <http://das.hre.iowa.gov/benefits.html>.

#### Special rules regarding residence:

Unmarried children ages 19 to 25 who are not full-time students must reside in the state of Iowa.

An individual will be deemed to reside with you despite "temporary" absences from your home for illness, business, or vacation. An absence is "temporary" if there is reason to believe the individual will return to the home following the absence.

In cases of divorce, the residence requirement does not apply and a child is considered the "dependent" of both parents if the child: (i) receives more than 50% of his/her support from his/her parents, and (ii) is in the custody of one or both parents more than one-half of the year.

#### Health Flexible Spending Account:

Expenses for a non-qualified tax dependent may **not** be claimed under the Health Flexible Spending Account.

#### Full-Time Students:

There is no upper age limit or residency requirement in the State of Iowa Group Insurance Plan for your children who are full-time students. As long as the student is full-time and unmarried they are eligible for coverage.

If you have additional questions, please see your Personnel Assistant.